Electronic Data Intertrends

Victor S. Wheatman
EDI Program Manager
INPUT

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INPUT EDI Planning Service (EDIPS)

- EDI Newsletter
- Market Studies
- Custom Research
- Conferences, Seminars

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Electronic Data Interchange

The Application-to-Application Exchange
of Intercompany Business Data
in Standard Formats

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EDI TRANSMITS ELECTRONIC BUSINESS DOCUMENTS

- Machine Readable
- PO's, Invoices, etc.
- Also Health Care Claims, Others
- Not ATM, POS, or E-Mail

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Varieties of EDI

Mainline -	Purchasing Logistics EFT + Data
EMCS/ECS -	Medical Claims
Interface -	Insurance

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EDI—The Year Past

Observations

EDI as Religion

"Missionary Sell"

Dedicated Volunteers

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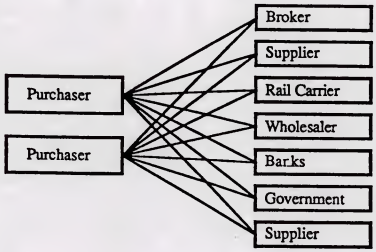
EDI LINKS CAN GET COMPLICATED



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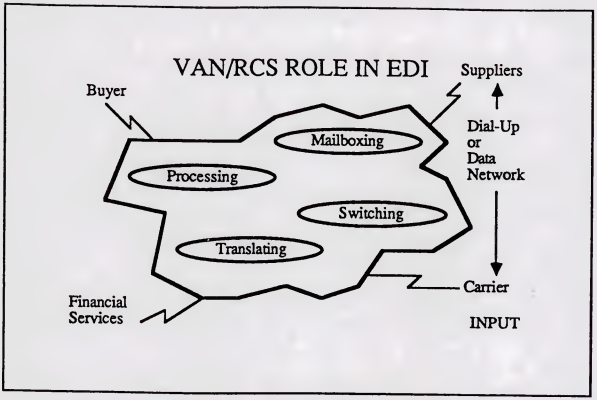

NOTES:

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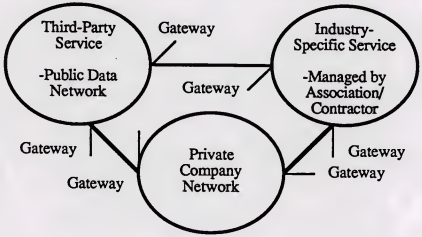
THREE TYPES OF EDI NETWORKS



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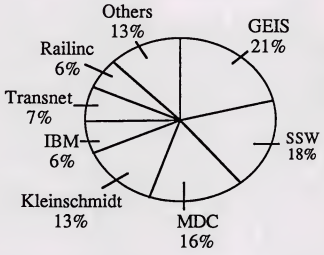
EDI Network/Processing Service Market Shares



Excludes Private Networks, EMC, Interface, Federal

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NOTES:

GEIS

- Aggressive
- Worldwide Alliances, Agents
- EDI/EMC/PETROEX
- Design→Express

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IBM

- Information Network—SNA
- Intercontinental Services
- Internal Use
- Insurance, Health Care, Electronics, Retail, Etc.

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AT&T

- ~~Net 1000~~
- AT&T Mail—X.400 EDI
- CDC—RediAccess
- Turnkey Systems—RIVET

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The Year Past

Service Entries

- AT & T
- Compuserve
- Martin Marietta
- Western Union

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EDI—The Year(s) Ahead

Services—New Entrants

- ADP
- NDC
- BOCs
- EDS

"Secondary" Players Find Niches

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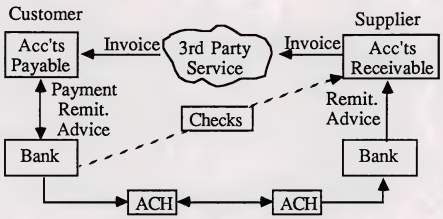
Banks in EDI



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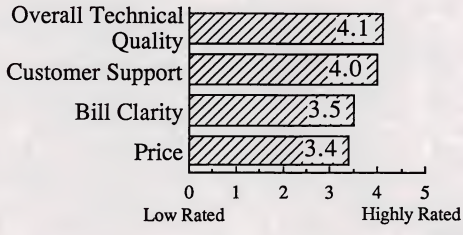
User Rating—Third-Party Networks
Averages—All Networks



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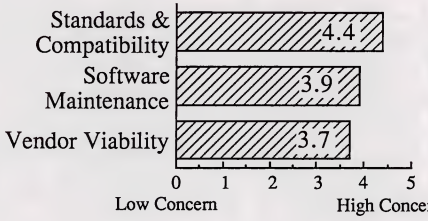
EDI User Issues and Concerns



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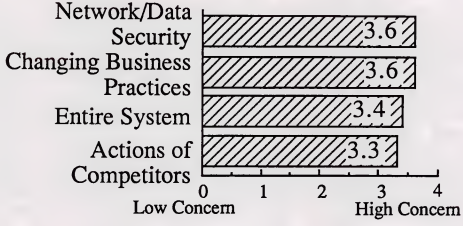
EDI User Issues and Concerns



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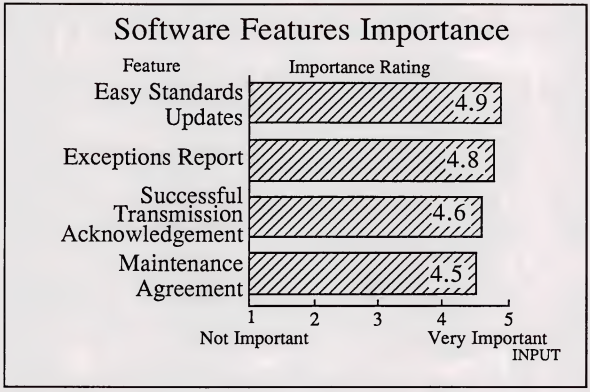

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The Year Past

Software Entries

The "Majors": ASK, Pansophic, M+D
Join MSA

The "Minors": Too Many to Mention

Missing: Apple Software

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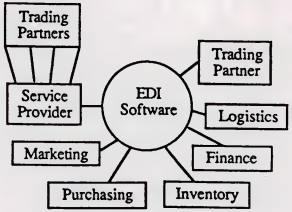
EDI SOFTWARE IS THE CORE OF THE SYSTEM



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EQAD-1

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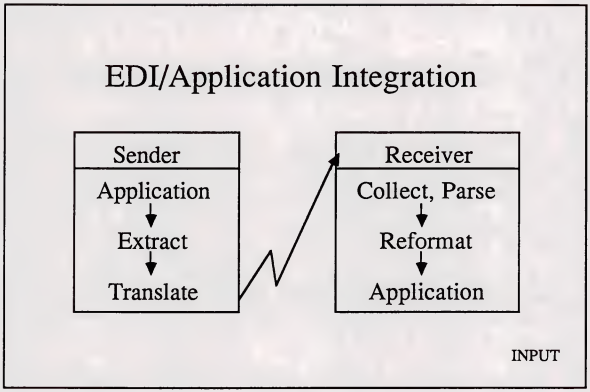

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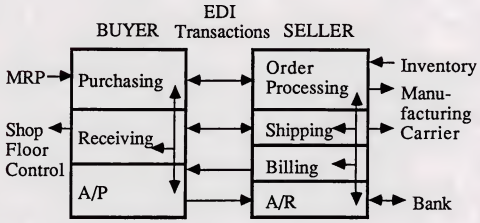
EDI/Application Integration



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EDI/Application Integration

- Affects Many Departments
- Top Management Needs to Set Corporate Goals
- Task Force Approach Required

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EDI/Application Integration

- P.S. Firms Can Assist
- EDI a Starting Point for Total Operational Improvements

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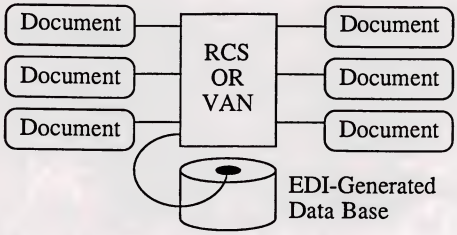
EDI Traffic Becomes a Data Base



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Graphics/EDI Integration

Examples:

- Schweber Net
- Design* Express (GEIS)
- WSSDOM (AT&T/ CAD CAM Inc.)

Premise:

Graphics needed in buying decisions—aerospace, electronics, specialty manufacturing, others

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EDI Internetworking—Reasons

- Trading Partners on Other Services/ Networks
- Cross-Industry Trading
  - Cross-Industry Translations
- "Universal" Data Services
- Goal Transparency

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EDI Internetworking—Issues

- Double Charging (Users)
- Interexchange Acknowledgement (Standards)
- Settlements (Vendors)

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X.400 Benefits
E-Mail and EDI

- Reliable Intersystem Transport
- Electronic Audit Trail
- Electronic Directories

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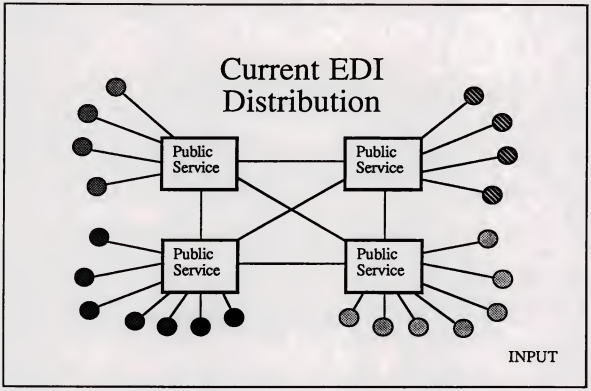

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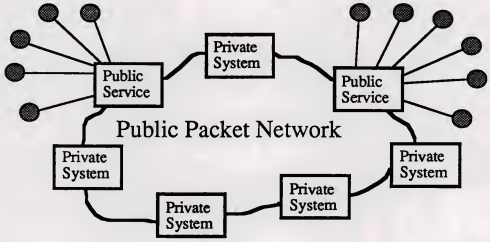
EDI in X.400 Environment



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X.400 Affects the Market

Market Segment	Impact
VANs	EDI Revenues Decrease VAN Revenues Increase
RCS Firms	Need New Strategies
Software and Equipment	X.400 Front-End Opportunities

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EDI Service Provider Options for X.400

- Develop X.400 Front Ends
- Implement Local (BOC) Networks
- Offer Value-Added Services

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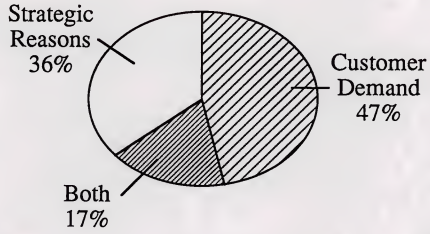
Why Was EDI Implemented?



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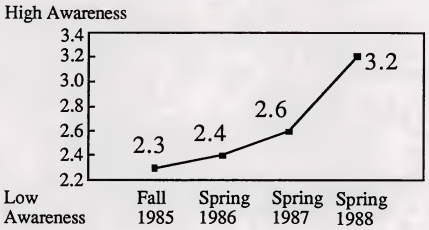
Forecast Factors

EDI Awareness Is Growing



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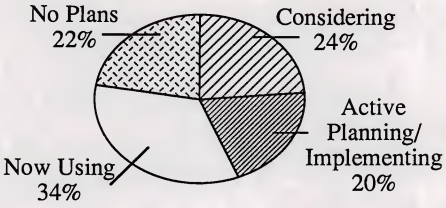
Forecast Factors

EDI Status
(IS Managers)



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Transaction Growth
User's Average Response

1986-1987	1987-1988
181%	156%

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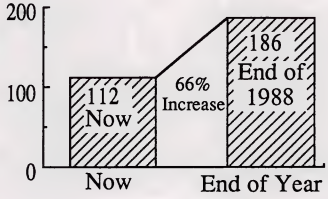
Forecast Factors

Number of EDI Trading Partners



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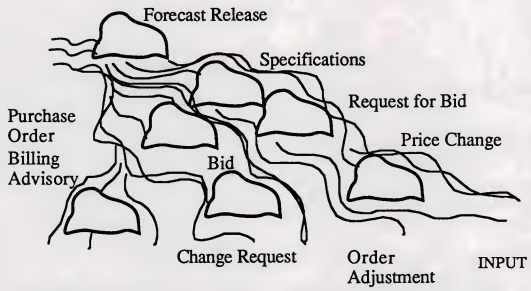
The Cascade Effect



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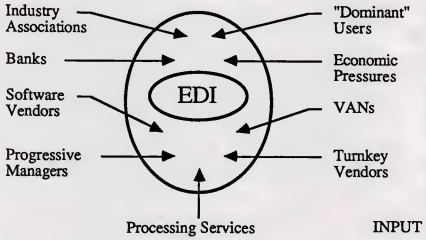
FERTILIZING THE EDI EMBRYO



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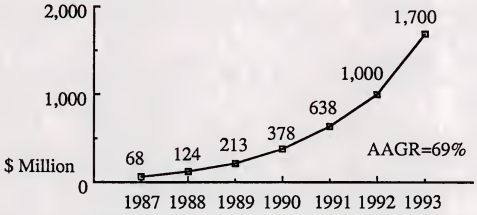
EDI Network Services



Federal and Commercial - Includes EMC and Batch Interface

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EDI Intertrends

- Not a Fad
- Addresses Fundamentals
- Becoming Accepted/Required Way of Doing Business

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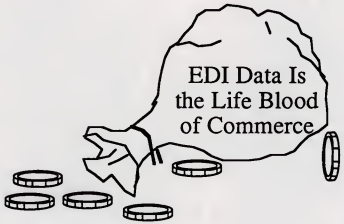

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Victor S. Wheatman
EDI Program Manager
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Victor S. Wheatman is responsible for managing INPUT's Electronic Data Interchange Program. He specializes in research and analysis in the telecommunications, electronic data interchange, and office systems markets. Prior to joining INPUT, he held marketing and project management positions with an independent market research firm and was an independent telecommunications consultant to several U.S. corporations. His earlier career included management positions in the broadcasting industry.

Mr. Wheatman has a B.A. from Fairleigh Dickinson University and an M.S. in communications from Boston University, and holds graduate certificates in management and telecommunications from Harvard and Golden Gate University.

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